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SUBJECT: MEDIA REACTION: U.S., AFGHANISTAN, IRAN, HAITI, SWIFT,  
GREECE-EU, FRANCE;BERLIN

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#### ¶1. Lead Stories Summary

Most print media led with the Afghanistan conference in London (FAZ, Sueddeutsche, Die Welt); Financial Times Deutschland dealt with an EU rescue plan for Greece. Other issues were the planned new capital requirements for banks (Handelsblatt) and a court ruling that declared a minimum wage in the postal sector to be invalid (Berliner Zeitung). Editorials focused on the minimum wage for the postal sector, the Afghanistan conference in London, and President Obama's State of the Union Address. ZDF-TV's early evening newscast heute opened with a report on the increase in unemployment, and ARD-TV's early evening newscast Tagesschau opened with a story on the Afghanistan conference.

#### ¶2. (U.S.) State of the Union Address

All papers (1/29) carried reports on President Obama's State of the Union address. The reports do not all appear on the front pages but some papers carry at least pictures of the President addressing Congress. Sueddeutsche headlined: "Back to Start - U.S. President Obama Admits Mistakes in his State of the Union Address and Focuses on a New Task: Creating Jobs." Frankfurter Allgemeine reported under the headline: "Obama: Our Prime Goal are Jobs," and wrote: "New figures from the labor market confirmed on Thursday what President Obama turned into the focal point of his State of the Union address on Wednesday evening: the creation of jobs is the most important task for the political leadership in Washington." Die Welt reported on its front page: "Obama Concentrating on the

Creation of Jobs."

Many papers and TV media also carried editorials.

Deutschlandfunk (1/28) carried a commentary by its Washington correspondent Klaus Remme: "This was not a blow of liberation. Barack Obama delivered a speech that was much too long and remained below his possibilities. Since November, [his speechwriters] have been working on this address, and after the election defeat in Massachusetts, it turned into an unfortunate dichotomy between a balance sheet of the work his government has accomplished and a political defense. With respect to contents, Obama did not give up a single position. Good so! Healthcare reform is important and this is right, irrespective of whether the Democrats have 59 or 60 votes in the Senate. There was no other alternative than his economic policy last year. Everyone knows that the precondition for political success of the Democrats in Congress and the White House is a revival of the labor market, and it is ridiculous to blame this president for the loss of million of jobs...."

Sueddeutsche (1/29) carried an editorial headlined: "The Third Obama," and argued: "For more than ten days, Barack Obama has known that he cannot make a name for his administration with the Democrats alone. The by-election in Massachusetts has forced him to make compromises with a few Republicans and this constraint is getting stronger because the Democrats are ailing. At the latest after the presumably horrible Democratic losses in the Congressional elections in the fall, the President will have to seek his majorities also among opposition politicians - over and over again, for each project or bill. A new "third Obama" is already preparing for this changed

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political environment. That is why he is admitting to mistakes, that is why he is all of a sudden cultivating a well dosed populism against banks and large companies. By warming up the hearts of the ordinary people, the President wants to exert pressure on Congress and then wriggle out of intensified cooperation with Republicans in the name of the people. This strategy is risky and the coming months will tell whether the American people will give Barack Obama a second chance. Only one hour after his State of the Union Address, the President already sent a new message via e-mail with the subject line: 'I am unable to achieve it on my own.'"

According to Frankfurter Allgemeine (1/29), "a year ago, Barack Obama was carried into the White House on a wave of enthusiasm (or anger at Bush). Now a new start of his presidency is necessary. Even in 2009, the majority of Americans were more interested in jobs than in healthcare reform. Did he pursue the wrong priorities? In his sober State of the Union Address, in which he pretended to feel the people's concerns, and in which he criticized a political business of which he is a part, Obama declared the creation of jobs the task of the year without giving up healthcare reform. Again it is the economy, and again a President can re-invent himself in the center."

Handelsblatt (1/29) expects the Republicans to continue to act as a lock-step opposition and judged: "The Republicans cannot refuse to accept President Obama's proposals, because these are also their main issues and because they do not want to be made responsible for the loss of jobs and for a state in which the people are burdened with excessive debt. But even after Obama's State of the Union address, there is not a great probability that a turnabout will succeed. For the conservatives the prospects are too tempting to continue to appear as the party of 'nay-sayers.' Over the past few months, this attitude resulted in victories."

Berliner Zeitung (1/29) opines that "Barack Obama continues to deliver good speeches, but America no longer wants to listen but wants to see results. The economic crisis has turned long ago into a crisis of the political institutions and that includes the president. The lack of confidence that Barack Obama addressed in his State of the Union address also affects him. But in his working program for his second year in office, he is bringing the priorities of his government in line with the problems of the people. The opposition is still profiting from distrust towards Washington, but it is not popular. Obama must now try to turn the blockade of the

Republicans against the conservatives themselves. If the economic recovery comes, if America sees successes, it will again listen to the president."

Regional daily Leipziger Volkszeitung (1/29) is of the opinion that "that Barack Obama is trying to shift the focus on new issues. With such an approach he wants to regain the initiative. More domestic instead of foreign policy; this is the slogan. He is promising the U.S. middle class jobs, jobs, jobs. He is now starting an argument with U.S. banks to get populist approval beyond the new rules for this industrial sector. There would hardly be another U.S. president who would take a different tactical approach. Obama has now definitely turned from a redeemer to a U.S. president who is desperately fighting for his agenda."

### 13. (Afghanistan) London Conference

All media (1/29) carried prominent reports on the London conference on Afghanistan. Lead headlines included "West promises change in Afghanistan" (Sddeutsche), "Afghanistan: support and demands - London conference decides on assistance and puts pressure on Karzai" (Die Welt), "Westerwelle: The process of transition to the Afghans begins now" (Frankfurter Allgemeine). Several outlets expressed skepticism over whether the "new" strategy would improve the

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situation in Afghanistan quickly. Frankfurter Allgemeine remarks that the statements made in London "sound familiar" and Berliner Zeitung highlights: "The international community decided on a new beginning at the London conference - and some even believe in it."

ARD-TV's Tagesthemen (1/28) opined: "London - a conference of desperados who want to end the disaster in Afghanistan as quickly as possible.... The international community admits that the last eight years of the policy on Afghanistan have been a failure. Because they were unsuccessful, they are now trying something else and call it a change of strategy. As often before, the prospect of success is uncertain."

Norddeutscher Rundfunk radio of Hamburg (1/29) remarked: "Indeed, many decisions made in London now sound more realistic and concrete than those of the past... The most important thing is that Afghans are now supposed to take over the responsibility for the future of their country. President Karzai announced a plan to integrate the rank and file of the Taliban and to start reconciliation talks with their leaders. This comes late, but it is the only path to create peace in the country. This will be a difficult process."

In a front-page editorial, Frankfurter Allgemeine (1/29) wrote: "Americans and Britons never believed that Afghanistan could be pacified with military means alone. In the south, they faced the fact much earlier than the Germans in the north that the enemy is also opposed to the civilian reconstruction and the stabilization of state structures. This change of strategy is not as epochal as the German government claims it is. The West has always been pursuing a dual strategy."

Sddeutsche (1/29) editorialized: "The threat of withdrawal was necessary to get the Karzai government out of its inactivity and to make clear that it will soon no longer be under foreign protection. This was President Obama's intention when he noted that 2011 would be the year when the withdrawal begins. However, realism now forbids the international community and Germany to give a concrete timetable for the withdrawal."

Under the headline "Hope in Afghanistan," Die Welt (1/29) opined on its front page: "The London conference on Afghanistan has reached results. The goals agreed are more specific than the smallest denominator reached at the Copenhagen climate conference. The agreement of the 70 governments on such a complicated issue like peace in Afghanistan is in itself valuable. The question of how long the agreement will hold is a different issue.... The London conference avoided the question of what should be done if the civilian measures fail. However, we don't yet need the answer."

The editorial in FT Deutschland (1/29) headlined "Attention! Ready to Turn!" and highlighted: "The opposition of Germans against the mission in Afghanistan has never been greater. The new strategy of the German government was therefore overdue - it has finally broken its silence."

#### 14. (Iran) Execution of Opposition Politicians

In an editorial, Die Welt (1/29) noted: "The religious dictatorship is lashing out in all directions in its helpless anger and political helplessness. Show trials, death threats against dissidents and their families - totalitarianism is now showing its full dimension in Iran. Why? Because Ayatollah Khomeini's heirs see themselves threatened by the greatest threat since the Islamic Revolution in 1979. This mediocre leadership team around Ahmadinejad spiritual leader Khamenei has not only attracted the anger of the street. The Shiite religious leaders also no longer back them.... Opposition politician Mehdi Karrubi is predicting that the moderate forces will

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unite and save Iran. Maybe then the answer to the question about who the real enemies of God are will be clarified.

Berlin's tabloid B.Z. (1/29) judged under the headline; "Mullah Regime Cornered" that "Iran's leaders feel threatened and will no longer stop at anything. The mass protests have awakened the regime, and these protests could be rekindled at any time. This would be fatal right now because the regime will celebrate its 31st anniversary in two weeks. These celebrations should not develop into anti-regime protests. Show trials with death sentences are supposed to demonstrate power, but it is questionable whether this will succeed. The hatred against the mullah regime and the longing for freedom is too great."

#### 15. (Haiti) Aftermath of Quake

Frankfurter Rundschau (1/29) editorialized: "The first shock is over and the time of miracles will also end soon. The incredible rescue of living victims two weeks after the catastrophe, are the last spectacular images of the earthquake. We were all generous -- the Germans, the Europeans and particularly the United States.... In Haiti, like elsewhere, occupation and slavery were replaced by an economic colonial regime. The domestic agriculture collapsed under the competition of the global market and a WTO prohibition to impose punitive tariffs. Today, the farmers who fled to the slums of Port-au-Prince eat imported rice from the United States.... It is not impossible to imagine Barack Obama saying at the end of his second term in 2016 that his country has learned from Haiti respect for the rights of the poor."

#### 16. (U.S.-EU) SWIFT

Under the headline: "Banking Data on Call," Sueddeutsche Zeitung (1/29) argued: "Money can be traced back to terrorists. That is why there are good reasons to check suspicious money transfers. And those who do this should not be suspected of violating data protection and the rule of law. But this is what the agreement between the United States and the EU on the transfer of data of European bank customers is doing. As long as there are no watertight guarantees that the information that is passed on is exclusively used for the hunt for terrorists, that third parties have no access to them, and that these data will be deleted after use, this agreement should not enter into force. And even if these concerns have been removed, it should be ratified only if the affected people can rely on clear and reliable laws against the spying on of their banking data. The fact that the United States is cultivating a laxer treatment of data protection should not prompt the Europeans to give up their standards but to insist on them. We do not ask the Americans too much when we ask them to stick to European rules. The hunt for terrorists will not be impeded in any way, but the confidence of the people that their rights will not go overboard will be strengthened."

#### 17. (Greece-EU) Bailout Program?

FT Deutschland (1/29) led with a report under the headline "Germany

supposed to help Greece - Recue plans of several EU countries - German government denies talks." Die Welt headlined "Greece becomes trauma for the euro" and Handelsblatt headlined: "Euro zone fears for its economic unity - difference over economic power of Euro countries is increasingly widening." Frankfurter Allgemeine (1/29) headlined: "Debt crisis is escalating - Risks of Greece and Portugal reaches climax."

Under the headline "Caught in the Tap," FT Deutschland (1/29) editorialized: "Greece has plunged the countries of the Euro zone into a real dilemma. They cannot allow the bankruptcy candidate to become insolvent - because similar problems might then spill over to

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Portugal and Spain, which also have enormous national deficits. This could bust the whole currency union. However, while Europe is forced to work out assistance plans, it must avoid the perception that it is doing so.... The current insecurity of financial markets over the strategy of the Euro Group is hiking the interest rates for Greece. Unlike warnings from European colleagues, this will force politicians in Athens to show more discipline. In addition, the Greek government can explain tough measures better if the people cannot rely on help from abroad. Europe's strategy to help Greece secretly has only one catch: it seems to be impossible to keep the strategy secret and credible."

A front page editorial in Frankfurter Allgemeine (1/29) noted: "Not just the Greek misery poses a threat to the currency union. It is therefore important that we do not prematurely look for loopholes for Greece. The way we deal with Greece will be a precedent for future cases. The EU cannot afford to rescue half a dozen member states from a looming national bankruptcy. Minimizing the currency union by a few member states is also an absurd idea. The economic consequences would be devastating. The existing rules must therefore be applied accurately. Not just Greece, also the growth and stability pact is facing an acid test. The fact that it was watered down in the past is not a reason to forget it now."

#### 18. (France) Clearstream Trial

Sueddeutsche (1/29) editorialized under the headline: "End of an Unworthy Deal," that [the acquittal for Dominique de Villepin] is a legal but also political blow for President Sarkozy. For de Villepin, however, it could be the beginning of a return that could lead him to the Elyse Palace. For the time being, only a verdict was pronounced and the prosecutor is likely to appeal the decision. The war between the two is likely to last for a long time to come. But for France, this trial has been a worrisome lesson: The French Republic continues to suffer from affairs that are taking place in the grey zone of politics, the economy, and the intelligence services. Nevertheless, the ruling also brings good news for France: The conservative camp now has a second man, in addition to Sarkozy, at the top - a potential candidate who is intelligent, able to cope with a heavy workload, experienced, and ambitious enough to act as a strong president. If Socialist Dominique Strauss-Kahn decides to run in 2012, the left-wing opposition would also have a heavyweight candidate. French voters would then have a real choice - a situation which other Europeans could only envy. But for Sarkozy this would not be good news."

"Old Rivals," headlined Frankfurter Allgemeine (1/29) and editorialized: "French President Sarkozy did not do himself a service by acting as joint plaintiff in the libel trial against his former Prime Minister de Villepin. This ongoing power struggle using other means violated the dignity of the highest office in the state. Could a now rehabilitated de Villepin turn into a serious rival for Sarkozy? De Villepin no longer has many supporters in the party. It is questionable whether the inner-party opposition to Sarkozy will concentrate on him. All indications are that time has passed over de Villepin."

Berliner Zeitung (1/29) and Frankfurter Rundschau (1/29) had this to say under the headline: "Defeat for Sarkozy" that "Now President Sarkozy looks like a fool. This libel suit against his rival did not produce the desired result. De Villepin can now present himself to the people as a victim of an overbearing president who is

currently unpopular among the people. De Villepin can now return to the political stage with his head held high. The question is whether the French want to trust an aristocrat during times of crisis. During this libel suit, politics showed its ugly face, as a world full of intrigues and lies. In the end, both (Sarkozy and de Villepin) will feel the French's weariness about this."

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